GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:3866
ANSWERED ON:18.04.2000
CHEMICAL AND FERTILIZER PLANTS
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Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the number of Chemical and Fertilizer plants functioning in the country alongwith production capacity, thereof unit-wise;

(b) the number out of these plants under the Public Sector and the Private Sector separately;

(c) the details of production of chemicals and fertilizers in these plants during each of the last three years, Unit-wise;

(d) whether these plants are making full use of their installed capacity;

(e) if not, the names of plants not making the full use of their installed capacity; and

(f) the measures taken by the Government to improve their functioning and increase the production capacity thereof during the Ninth Five Year Plan?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS

(SHRI RAMESH BAIS)

(a) to (c): Consequent upon the liberalization of the Industrial Policy in 1991, chemical productshave been de-licensed and the entrepreneurs are required to only file an Industrial Entrepreneurs Memorandum (IEM) with the Ministry of Industry. The Central Government does not maintain a State-wise list of chemical plants in the country. However, information in respect of PSUs in the Chemical Sector namely Hindustan Organic Chemcials Limited and Hindustan Insecticides Limitedis given at Annexure-I. Annexure-II gives information o f fertilizer plants functioning in the country except for SSP plants other than that of Pyrites Phosphates and Chemicals Limited (PPCL), their annualinstalled capacity, production and percentage capacity utilization in nutrient terms during the first three years of the Ninth Five Year Plan.

(d) & (e):In regard to Hindustan Insecticides Limited, the difference in capacity utilization is primarily due to DDT production which is tailored according to orders placed by NMAP/Ministry of Health.

In regard to Hindustan Organic Chemicals Limited, the Company is burdened with highinterest on loans and this combined with the lower yields due to competition from cheaper imports, resulted in losses during 1997-98 and 1998-99. Phenol, Acetone and Aniline are the main products manufactured by the company, which together constitute 65% of the total turnover. Low price realization for these products mainly contributed for the losses being incurred by the Company. Prompt action by the Government resulted in the imposition of Safeguard Duty on both Phenol and Acetone. In fertilisers, the Governmentmonitors production of urea as it is the only fertiliser under price, movement and distribution control of the Government. Some of the urea plants have not beenable to achieve 100% capacity utilization consistently as can be seen from the Annexure-II. Themajor reasons have been Industrial sickness, constraint in gas supply and equipment problems etc.

(f): The fertilizer industry has adopted following steps to improve the fertilizer production:

i) Implementation of rehabilitation/revival scheme with the approval of BIFR in respect of sick fertiliser PSUs;
ii) retrofitting/revamping of existing fertilizer plants;
iii) Overcoming the constraints in the availability of natural gas by exploring the possibility of import of liquefied natural gas and installing dual fuel/feedstock facilities in the existing plants; and
iv) Setting up joint venture projects in countries having abundant and cheap raw material resources.
Following incentives are available for increasing the production of urea in the country:
i) Normally no industrial licence is required for setting up a fertilizer plant.
ii) Nominal basic customs duty on import of capital goods for setting up of new plants/modernisation of existing units.
iii) Deemed export benefits to indigenous suppliers of capital goods to fertilizer projects provided such supplies are made under the procedure of international competitive bidding.
iv) Nominal duty on import of fertilizer raw materials and intermediates.

ANNEXURE-I

STATEMENT REFERRED TO IN PART (a) to (e) OF THE LOK SABHA UNSTARRED QUESTION NO.3866 TO BE ANSWERED ON 18.04.2000.

Information in respect of Chemical plants in Public Sector Undertaking

1. Hindustan Insecticides Limited

	1997-98	1998-99	1999-2000
Installed Capacity	29,652 MT	29,657 MT	29,657 MT
Production	19,176 MT	15,705 MT	16,518 MT
Capacity Utilization	64.7%	53.0%	55.7%

2. Hindustan Organic Chemicals Limited

	1997-98	1998-99	1999-2000
Installed Capacity	3,78,035 MT	4,02,925 MT	N.A.
Production	3,53,325 MT	3,40,713 MT	N.A.
Capacity Utilization	93.5%	84.5%	N.A.

of technical grade pesticides and their formulations.

of organic chemicals.

ANNEXURE-II

STATEMENT REFERRED TO IN PART (a) to (e) OF THE LOK SABHA UNSTARRED QUESTION NO. 3866 TO BE ANSWERED ON 18-04-2000.

Unit-wise annual installed capacity of major chemical fertilizer units, production in terms of nutrients & %age capacity utilisation during 1997-98, 1998-99and 1999-2000:

Nitrogen

(`000' MT)

Name of the Sector/Units	Annual Installed Capacity	Production 1997-98	Production 1998-99	Production 1999-2000	%age Capacity utilisation 1997-98	%age Capacity utilisation 1998-99	%age Capacity utilisation 1999-2000
I) Public Sector :							
NFL:Nangal-I	80.0	43.9	55.5	38.8	54.9	69.4	48.5
NFL:Nangal-II	151.8	186.9	178.8	158.7	123.1	117.8	104.5
NFL:Bhatinda	235.3	261.0	231.7	249.9	110.9	98.5	106.2
NFL:Panipat	235.3	258.7	246.4	245.1	109.9	104.7	104.2
NFL:Vijaipur	334.0	391.6	393.2	374.1	117.2	117.7	112.0
NFL:Vijaipur Expn.	334.0	372.7	396.5	415.4	111.6	118.7	124.4
Total (NFL) :	1370.4	1514.8	1502.1	1482.0	110.5	109.6	108.1

FACT:Udyogamandal	77.0	63.6	69.3	87.6	82.6	90.0	113.8	
FACT:Cochin-I	151.8	126.1	84.2	122.1	83.1	55.5	80.4	
FACT:Cochin-II	96.6	103.6	116.0	118.0	107.2	120.1	122.2	
Total (FACT) :	325.4	293.3	269.5	327.7	90.1	82.8	100.7	
RCF:Trombay	90.5	49.8	53.2	61.6	55.0	58.8	68.1	
RCF:Trombay-IV	75.1	51.1	50.0	64.9	68.1	66.7	86.4	
RCF:Trombay-V	151.8	145.8	123.8	139.4	96.0	81.6	91.8	
RCF:Thal	683.1	644.8	650.0	684.8	94.4	95.2	100.2	
Total (RCF) :	1000.5	891.5	877.0	950.6	89.1	87.7	95.0	
FCI:Sindri	151.8	95.9	102.6	140.8	69.2	67.6	92.8	
FCI:Gorakhpur	131.1	0.0	0.0	0.0	-	-	-	
FCI:Ramagundam	151.8	46.6	42.2	0.0	30.7	27.8	-	
FCI:Talcher	151.8	46.0	31.6	0.0	30.3	20.8	-	
Total (FCI) :	586.5	188.5	176.4	140.8	32.1	30.1	24.0	
HFC:Namrup-I	21.0	0.0	0.0	0.0	-	-	-	
HFC:Namrup-II	87.4	0.0	0.0	0.0	-	-	-	
HFC:Namrup-III	151.8	90.6	52.8	56.3	59.7	34.8	37.1	
HFC:Durgapur	79.6	1.5	0.0	0.0	1.9	-	-	
HFC:Barauni	84.6	18.6	11.6	0.0	22.0	13.7	-	
Total (HFC) :	424.4	110.7	64.4	56.3	26.1	15.2	13.3	
MFL:Chennai	254.3	106.4	243.8	317.3	52.7	96.0	124.8	
SAIL:Rourkela	120.0	23.7	23.1	9.1	19.7	19.3	7.6	
NLC:Neyveli	70.0	47.3	31.2	7.9	67.6	44.6	11.3	
PPL:Paradeep	129.6	142.5	140.4	135.5	110.0	108.3	104.6	

(`000' MT)

Name of the Sector/Units	Annual Installed Capacity	Production 1997-98	1998-99	1999-2000	%age Capacity utilisation 1997-98	1998-99	1999-2000
II) Cooperative Sector							
IFFCO:Kalol	251.2	177.7	225.6	204.7	79.9	89.9	81.5
IFFCO:Kandla	199.8	184.7	193.8	274.0	155.3	163.0	158.6
IFFCO:Phulpur	227.7	259.9	261.7	233.5	114.0	114.8	102.5
IFFCO:Phulpur Expn.	334.0	105.4	384.3	370.2	126.2	115.1	110.8
IFFCO:Aonla	334.0	387.0	381.7	340.3	115.9	117.3	101.9
IFFCO:Aonla Expn.	334.0	382.2	385.5	388.2	114.4	115.4	116.2
Total (IFFCO) :	1680.7	1496.9	1842.6	1810.9	113.3	115.2	109.5
KRIBHCO:Hazira	667.9	814.9	697.6	716.4	122.0	104.4	107.3
III) Private Sector :							
GSFC:Vadodara	236.2	237.5	229.3	247.9	100.6	97.1	105.0
CFL:Vizag	83.8	81.4	83.6	88.4	97.1	99.8	105.5
SFC:Kota	151.8	180.6	180.9	186.1	119.0	119.2	122.6
DIL:Kanpur	310.5	337.5	337.1	319.7	108.7	108.6	103.0
ZIL:Goa	240.0	264.1	189.1	242.1	133.4	95.5	100.9
SPIC:Tuticorin	310.2	367.4	375.0	408.3	118.4	120.9	131.6
MCF:Mangalore	181.2	153.6	194.9	162.8	84.8	107.6	89.8
EID-Parry:Ennore	27.0	30.8	33.1	37.2	128.3	122.6	137.8
GNFC:Bharuch	341.6	364.2	372.3	346.5	106.6	109.0	101.4
DFPCL:Taloja	52.9	41.2	40.7	45.1	77.9	76.9	85.3
TAC:Tuticorin	16.0	14.9	15.8	21.7	93.1	98.8	135.6
PNF:Nangal	16.0	12.7	0.0	0.0	79.4	-	-
HLL:Haldia	121.5	52.2	41.5	60.4	189.1	83.0	49.7
IGCL:Jagdishpur	334.0	429.5	469.2	479.3	128.6	140.5	143.5
GSFC:Sikka	58.7	104.8	94.4	109.2	178.5	160.8	186.0
NFCL:Kakinada-I	227.7	317.3	316.8	295.0	137.0	139.1	129.6
NFCL:Kakinada-II	227.7	-	240.9	301.8	-	105.8	132.5
GFCL:Kakinada	85.1	96.1	115.8	127.0	133.3	136.1	149.2
CFCL:Gadepan-I	341.6	446.0	440.1	435.4	130.6	128.8	127.5
CFCL:Gadepan-II	356.5	-	-	163.0	-	-	109.7
TCL:Babrala	341.6	469.7	404.1	451.9	137.5	118.3	132.3
OCF:Shahjahanpur	334.0	427.8	409.7	401.0	128.1	122.7	120.1

Phosphate

(`000' MT)

Name of the Sector/Units	Annual Installed Capacity	Production 1997-98	1998-99	1999-2000	%age Capacity utilisation 1997-98	1998-99	1999-2000
I)Public Sector :							
FACT:Udyogamandal	29.7	24.8	31.6	38.9	83.5	106.4	131.0

FACT:Cochin-II	102.2	103.7	116.0	118.0	101.5	113.5	115.5	
Total (FACT) :	131.9	128.5	147.6	156.9	97.4	111.9	119.0	
RCF:Trombay	45.0	49.8	53.2	61.6	110.7	118.2	136.9	
RCF:Trombay-IV	75.1	51.1	50.0	64.9	68.1	66.7	86.4	
Total (RCF) :	120.1	100.9	103.2	126.5	84.1	86.0	105.3	
MFL:Chennai	142.8	83.3	133.8	143.3	68.1	93.6	100.4	
PPL:Paradeep	331.2	364.6	359.7	347.0	110.1	108.6	104.8	
HCL:Khetri	30.1	2.6	1.0	0.0	8.6	3.3	-	
PPCL:Amjhore	42.2	32.8	13.7	0.8	77.7	32.5	1.9	
PPCL:Saladipura	15.8	10.7	6.5	1.4	67.7	41.1	8.9	
Total Public Sector :	826.9	728.0	769.5	779.8	90.3	93.0	94.3	
II) Cooperative Sector								
IFFCO:Kandla	519.2	477.7	500.2	709.0	154.6	161.9	157.9	
III)Private Sector								
GSFC:Vadodara	49.7	54.1	76.6	73.5	108.9	154.1	147.9	
CFL:Vizag	104.1	110.3	112.2	129.0	106.0	107.8	123.9	
ZIL:Goa	195.0	115.2	75.0	77.0	103.8	67.6	39.5	
SPIC:Tuticorin	190.9	211.9	261.4	189.1	111.0	136.9	99.1	
MCF:Mangalore	63.5	69.8	78.7	77.5	109.9	123.9	122.0	
EID-Parry:Ennore	34.0	38.5	41.4	46.5	127.3	121.8	136.8	
GNFC:Bharuch	32.8	31.1	30.2	31.2	94.8	92.1	95.1	
DFPCL:Taloja	52.9	41.2	40.7	45.1	77.7	76.8	85.3	
HLL:Haldia	310.5	133.4	106.2	171.5	189.0	83.6	55.2	
GSFC:Sikka	150.0	267.7	241.1	279.0	178.5	160.7	186.0	
GFCL:Kakinada	217.4	245.5	287.6	302.6	133.2	132.3	139.2	